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SUBJECT: RRT ERBIL: KRG BULLISH ON RELATIONS WITH TURKEY

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Classified By: RRT Erbil Team Leader Andrew Snow for reasons  
1.4 (b) and (d)

[1](#)1. (U) This is an RRT Erbil cable.

[1](#)2. (C) Summary: Kurdistan Regional Government (KRG) officials told us recently they are pleased with the KRG's improving relations with Turkey, casting this development -- along with strong relations with the United States -- as a counter to malign Iranian influence. These KRG officials, like other Kurdish leaders, stressed that the Kurds are a natural and more reliable ally to the United States and Turkey, in the latter case despite Turkey's treatment of its own Kurds. The KRG appears eager to maximize economic ties with Turkey, even as officials complain that for now the Turks tended to sell consumer goods without investing. Despite KRG enthusiasm over improved relations with Ankara, there continues to be some ambivalence in its relationship with the Turkish consul in Mosul, who is not yet authorized to deal with the KRG on an official basis. End Summary.

Relations with Ankara  
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[1](#)3. (C) In recent discussions with RRT Leader, KRG Presidency Chief of Staff Dr. Fuad Hussein, Minister Responsible for External Relations Falah Mustafa, and KDP External Relations Representative Safeen Sizayee were exuberant about the improvement in their relations with the GOT, saying they have been working behind the scenes for a long time to nurture the relationship. These officials said they had told Turkish leaders that Erbil would be careful not to do anything that would create problems for the GOT. The KRG officials were thrilled that the GOT is now willing to receive GOI delegations that include KRG officials, in contrast to earlier GOT policy, and are very appreciative of President Gul's reference to the "Kurdistan Region of Iraq" on his visit to Baghdad in March, a departure from previous GOT policy.

KRG-Turkey-U.S. "Anti-Iran" Axis  
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[1](#)4. (C) In the eyes of our KRG interlocutors, the Kurds are natural allies of Turkey and the United States in the region,

saying the three formed a bulwark against Iranian influence. KRG officials say they are drawn to Turkey as the most democratic, secular, western, and private-sector-oriented of their neighbors, and as their link to Europe. (COMMENT: KRG officials tend not to be interested in Middle Eastern models.

For example, in seeking RRT assistance in collecting information about how political parties are funded in other countries, KRG parliamentary leader Kamal Kirkuki specifically expressed interest in western European and Turkish models, rejecting those in the region for being "not democratic." END COMMENT.)

15. (C) Iranian influence -- and how the KRG-Turkey axis can counter it -- was a frequent theme in our conversations in Erbil. KRG officials characterized the Kurds as true friends of the United States, while deriding Arab leaders in Baghdad as under Iranian influence. For this reason, the KRG officials said, the GOI would never be a reliable ally to the United States. As for Iranian interference in Iraq, the KRG's Falah Mustafa accused Iran of trying to influence the July 25 regional elections by supporting the leading opponent of President Barzani, Kemal Mirawildi. (Note: KDP politicians tend to be more anti-Iranian than PUK politicians, who have close relations with Iran. End Note)

#### KRG-Turkey Economic Ties

16. (C) KRG officials and businessmen tend to grumble that Turkish businessmen mostly just sell their goods and rarely invest in the KR. The Director of the Dohuk Provincial Investment Board told RRToffs that, out of \$16 billion in foreign investment in the KR, only \$80 million is from Turkey. (COMMENT: This figure seems low given Turkish investment in the oil sector and the ubiquitous Turkish business presence. END COMMENT.) Even so, the KRG welcomes the business connection which they see as strategic to ensure Turkey has a stake in the KR. Safeen Dizayee said KRG Prime Minister Nechirvan Barzani had worked hard on economic integration with Turkey.

17. (C) Ashti Hawrami said that Turkey is increasingly attracted to the KR's oil and gas potential and that "we are just an extension of Turkey." According to Hawrami, Turkey sees the KR's stability and non-hostility and understands the KRG has resources it is willing to share. One American businessman, based in Erbil with good connections to senior KRG officials, said Turkish company Genel Enerji, which has a producing oil field in the KR, had been lobbying the GOT with

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regard to its domestic Kurdish initiative. Although the Dohuk Investment Board Director and others have told the RRT that Turkish goods are starting to feel competitive pressure from Iranian and goods transported via Jordan through now-peaceful Anbar, Turkish consumer goods continue to dominate the market here. Meanwhile, the Turkish consul in Mosul noted to RRToffs that many smaller Turkish companies had been cheated or blackmailed in the KR, and the Turkish company building the new Erbil airport had run into a contract dispute, as had construction heavyweight Tepe in building portions of the new American University in Sulaimaniyah campus.

19. (SBU) Despite these problems, Turkish business now has a huge and apparently growing stake in the KR market. Other factors contributing to continued improvement in KR-Turkey relations are Turkey's domestic Kurdish initiative and increased travel to Turkey by KR citizens. KRG officials and media pundits are all pleased to see Turkey considering allowing Turkish Kurds more rights of cultural expression, although KRG officials are careful not to say anything that might undermine the GOT's efforts or strain Turkey-KRG relations. In recent years there has also been an increase in travel by ordinary Iraqi Kurds to Turkey. Turkish charter company Atlas Jet has frequent flights to Istanbul and is able to command premium prices. A long-time American resident of the KR said Turkish authorities have greatly eased previously onerous border formalities for Iraqis. He also said Iraqi Kurds are now able to speak Kurdish in Turkey without incident.

110. (C) COMMENT: Despite Turkey's frictions with the PUK and its treatment of Kurds in Turkey, the KRG appears eager to build relations with Turkey. Still, the Kurds are sensitive to the limits of their engagement. For example, they suspect that the local Turkish consul has a mandate from Ankara to

engage with the three provinces as provinces, but not the KRG central leadership, although it is far from clear whether this is a matter of choice or instruction on the consul's part. Notions of a Turkey-KRG-U.S. axis to counter Iran may be calculated in part to appeal to U.S. concerns about malign Iranian influence in Iraq. KRG leaders are careful to repeat the mantra that they will remain part of a federal, democratic Iraq, but the way they talk about Turkey and about Iranian influence in Baghdad -- and the way they complain about the Turkish consul's reluctance to engage the KRG -- show the KRG is reticent to let Baghdad determine the Kurds' relationship with neighbors and the United States. END

COMMENT.

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